



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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JANE SWIFT
GOVERNOR

JENNIFER DAVIS CAREY
DIRECTOR, CONSUMER AFFAIRS
AND BUSINESS REGULATION

LINDA RUTHARDT
COMMISSIONER OF INSURANCE

September 24, 2001

**BY TELECOPIER AND
EXPRESS MAIL**

Honorable Paula T. Rogers, Liquidator
Tufts Health Plan of New England, Inc.
56 Old Suncook Road
Concord, NH 02201

**Re: November 14, 2000 Funding and Settlement Agreement (the "Agreement") as
between Tufts Associated Health Maintenance Organization, Inc. ("TAHMO") and
Paula T. Rogers, in her capacity as Liquidator of Tufts Health Plan of New
England, Inc. ("TNE")**

Dear Paula:

As you know, I am the principal regulator of TAHMO and its Massachusetts health maintenance organizations. On November 17, 2000, I wrote to you concerning the Agreement. A copy of that letter is attached for your reference.

I have recently been advised, through your counsel, that you intend, as Liquidator of TNE, to submit a Motion to Accelerate Payment of Class Five Claims. I have been asked to update my view of TAHMO since my November 17, 2000 letter.

The Massachusetts Division of Insurance has reviewed TAHMO's financial statements through June 30, 2001. Based upon that review, I continue to believe it is reasonable to conclude that TAHMO presently has the resources to satisfy the THP Guaranty.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Linda L. Ruthardt".

Linda L. Ruthardt
Commissioner



ARGEO PAUL CELLUCCI
GOVERNOR

JANE SWIFT
LIEUTENANT GOVERNOR

COMMONWEALTH OF MASSACHUSETTS
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JENNIFER DAVIS CAREY
DIRECTOR, CONSUMER AFFAIRS
AND BUSINESS REGULATION

LINDA RUTHARDT
COMMISSIONER OF INSURANCE

November 17, 2000

BY TELECOPIER

Honorable Paula T. Rogers
Commissioner of the New Hampshire Department of Insurance,
as Liquidator of Tufts Health Plan of New England, Inc.
56 Old Suncook Road
Concord, NH 02201

Re: November 14, 2000 Funding and Settlement Agreement (the "Agreement") as between Tufts Associated Health Maintenance Organization, Inc. ("TAHMO") and Paula T. Rogers, in her capacity as Liquidator of Tufts Health Plan of New England, Inc. ("TNE")

Dear Paula:

As you have requested, I am pleased to confirm my position, as principal regulator of TAHMO and its Massachusetts health maintenance organization affiliates, concerning the Agreement.

My counsel and I have actively participated in the negotiation of the Agreement. I believe the Agreement is of material benefit to TAHMO, its members and other creditors. I also strongly believe that the Agreement is of great benefit to TNE, its members and other creditors since it provides for the payment of 100% of member and provider Allowed Claims. The Agreement reflects extensive arms length negotiations and the fair exchange of consideration by all the parties.

Based upon review of TAHMO's financial statements by the Massachusetts Division of Insurance, I believe it is reasonable to conclude that TAHMO presently has the resources to fully meet its obligations under the Agreement. Similarly, I have concluded that TAHMO will receive fair consideration in exchange for its commitments pursuant to the Agreement.

To the fullest extent permitted by Massachusetts law, I therefore will not seek to abrogate or otherwise modify the Agreement as it applies to TAHMO and its Massachusetts affiliates.

Honorable Paula T. Rogers

November 17, 2000

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Paula, I congratulate you on achieving a resolution of this very difficult problem without resorting to expensive and unpredictable litigation and in a way which will fully satisfy the obligations of TNE to its members and health care provider creditors.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Linda L. Ruthardt", with a long horizontal flourish extending to the right.

Linda L. Ruthardt
Commissioner